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ASX Code: MXC

Health Canada Approves MGC Derma CBD Cosmetics

- MGC Pharmaceuticals has received approval from regulatory body, Health Canada, for its MGC Derma Anti-Aging line of Cannabidiol-based (CBD) cosmetics products
- Enables the Company to immediately enter the Canadian cosmetics market estimated to be worth US\$1.9 billion in 2015¹ and to pursue distribution and sales of the products across Canada
- This follows immediately from regulatory approvals by the US FDA and European Commission's CPNP for the MGC Derma CBD cosmetic products, with Australian TGA application currently under assessment
- Demonstrates further execution and delivery by the Company on its commercialisation strategy

MGC Pharmaceuticals Ltd (ASX: MXC, "MGC Pharma" or "the Company") is pleased to announce that it has received approval from Canadian regulatory body, Health Canada, for its MGC Derma Anti-Aging line of Cannabidiol-based (CBD) cosmetics products.

The approval allows the Company to distribute and sell the product line across Canada, entering the Canadian cosmetic market which was estimated to be worth US\$1.9 billion in 2015¹. The Company is currently in negotiations on distribution agreements in Canada to facilitate sales into this key market, which is a leader in the global medicinal cannabis industry.

The Health Canada approval follows recent approvals granted by the US Food and Drug Administration (FDA) and European Commission's Cosmetic Products Notification Portal (CPNP) for the product line.

In addition, the Company is currently awaiting the outcome of its application to the Australian Therapeutic Goods Administration (TGA) for approval of the product line. The outcome of this application is expected in the short term, and if approved would allow the Company to sell the product line to Australian consumers and MXC's Australian shareholders.

Nativ Segev, Co-founder and Managing Director, MGC Pharmaceuticals Limited commented:

"MGC Pharmaceuticals has moved forward with its commercialisation strategy for its CBD cosmetics range at a rapid pace, delivering key regulatory approvals, distribution agreements and commencing sales in recent months. Our approval from Health Canada is another strong step forward, enabling us to expand our geographic sales reach for the products into Canada which has a very progressive attitude and legislation for medicinal cannabis and related product markets."

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¹ Source: [The Statistics Portal - Retail store sales of cosmetics and fragrances in Canada from 2010 to 2015](#)

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About MXC

MGC Pharmaceuticals Ltd (ASX: MXC) is EU based specialist medical cannabis company with many years of technical and commercial experience in the medical cannabis industry. The Company's founders were key figures in the Israeli medical cannabis industry and the core business strategy is to develop and supply high quality non-psychoactive Cannabidiol (CBD) resin extract to the growing demand in cosmetics and medical markets in Europe, North America and Australasia. The Company is also developing strategic joint ventures in these key value add industries, as demonstrated with MGC Derma CBD cosmetics.